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PARTIAL CONSTITUTIONAL REVISION: LOCAL GOVERNMENT

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PARTIAL CONSTITUTIONAL REVISION: LOCAL GOVERNMENT.

Legislative Constitutional Amendment. Repeals, amends, revises, and rennumbers various provisions of Constitution relating to local government.

YES

NO

(For Full Text of Measure, See Page 2, Part II)

General Analysis by the Legislative Counsel

A "Yes" vote on this measure is a vote to revise portions of the California Constitution dealing with counties and cities.

A "No" vote is a vote to reject this revision.

For further details see below.

**Detailed Analysis by the
Legislative Counsel**

This measure would revise Article XI of the California Constitution. The revision would retain some existing provisions without change and would restate other provisions, some with and some without substantive change. In addition, certain existing provisions would be deleted from the Constitution, thus placing the subject matter of the deleted provisions from then on under legislative control through the enactment of statutes. Chapter 1264 of the Statutes of 1969 is such a statute. It will take effect if this measure is adopted.

Cities

Generally, the division of the state into counties is **now** provided in Article XI of the Constitution. These existing provisions permit the Legislature to prescribe procedures for county formation and boundary changes, with certain limitations as to population, boundaries and indebtedness. A county seat may not be removed without approval by two-thirds of the voters of the county voting on the question.

In addition, Article XI **now** provides that the Legislature must provide for the election or appointment of county officers in non-charter counties and prescribe their duties and fix their terms of office. Compensation of the supervisors, district attorneys, and auditors in non-charter counties is fixed by the Legislature. The board of supervisors regulates the compensation of all other officers of the county, except municipal court judges (provided by the Legislature pursuant to Section 5 of Article VI of the Constitution), and provides for county employees.

Also, the Constitution **now** permits the Legislature, by two-thirds vote, to limit the amount of property taxes which can be imposed for county or city and county purposes.

The revision would retain the general substance of these provisions with the following changes:

The Legislature would be required, rather than permitted, to provide for county formation and boundary changes. A new provision would be added to require the Legislature to provide for county consolidations.

(2) A requirement that a majority of the voters in affected counties voting on the question approve county formations or consolidations and a requirement that the governing body of each affected county approve county boundary changes would be added.

(3) The Legislature's authority to prescribe procedure for county formation and boundary change would be continued, but restrictions as to county population and boundary locations would be deleted.

(4) Each county would be required to have an elected governing body. The present requirement that the Legislature provide for either the election or appointment of a board of supervisors would be deleted.

(5) The governing body of each non-charter county, rather than the Legislature, would fix the salary of the district attorney and county auditor. The Legislature would continue to fix the salary of the members of the governing body of a non-charter county.

(6) The provision requiring two-thirds vote by the Legislature to limit the amount of taxes that may be imposed on property for county or city and county purposes would be deleted.

Cities

Generally, Article XI of the Constitution **now** requires the Legislature to provide for the incorporation of cities and for their performance of municipal functions.

The revision would retain the general substance of these provisions.

Charters

The Constitution **now** includes provisions authorizing counties and cities to adopt charters for their own government. It includes detailed procedures for the adoption, amendment, revision, and repeal of county charters and the adoption, amendment, and revision of city charters.

Under the revision:

(1) The basic procedural provisions for the adoption, amendment, revision, and repeal of county charters and the adoption, amendment, and revision of city charters would be revised and replaced with uniform provisions which would, in addition, permit counties and cities to repeal charters by a vote of the majority of the electors and approval of the Legislature, and permit the governing bodies of counties, as well as cities, to propose the adoption of charters.

(2) The provision prohibiting cities of less than 3,500 population from adopting charters would be deleted.

(3) The existing provision with respect to charter counties, permits supervisors to be elected by district or at large, but each member must be a resident of the district he represents. The revision would permit the county charter to provide for members of the governing body to be elected by district or at large, either with or without a requirement that they reside in a district. The minimum number of members of the governing body in a charter county would be increased from three to five.

Consolidation

The detailed procedure for the consolidation of cities and counties now contained in the Constitution would be deleted, and provision would be made authorizing a county and all cities within it to consolidate as a charter city and county under terms to be set by statute.

Local Ordinances

The substance of the existing provision authorizing a county or city to make and enforce within its limits all such local, police, sanitary and other regulations as are not in conflict with general laws, would be retained.

General Provisions

The substance of various provisions of Article XI which are of general application would be included in the revision with the following changes:

(1) Section 17 of Article IV of the Constitution **now** prohibits all counties and general law cities from granting extra compensation or allowance for service already rendered. The revision would make the prohibition applicable to all local governmental bodies, thus extending the provision to include charter cities.

(2) The Constitution **now** prohibits the Legislature from delegating specified powers over local matters to any special commission, private corporation, company, association, or individual. As revised, the Constitution would retain the prohibition with respect to delegating such powers to private persons or bodies, but the revision would delete the prohibition against delegations to "special commissions."

(3) The present prohibition against increases in the compensation of a county or municipal officer during (or in the extension of) his term of office would be deleted.

(4) The present provision specifically authorizing the Legislature to provide for supervision, regulation, and conduct of the affairs of irrigation, reclamation, and drainage districts organized under state law would be deleted.

Provisions Transferred Without Change

Existing provisions concerning the following subjects would be transferred without change to other articles of the Constitution:

- (a) nomination and election of county officers,
- (b) assessments and taxes for local purposes,

- (c) place of payment of local bonds, (d) deposit of public money of local governments,
- (e) authorized depositories of public m
- (f) municipal debt limitations, and (g) financing of off-street parking.

Statutes Contingent Upon Adoption of Above Measure

The text of Chapter 1264 of the Statutes of 1969, which was enacted to become operative if and when the above revision is approved, is on record in the office of the Secretary of State in Sacramento and also contained in the 1969 published Statutes. A digest of that chapter is as follows:

Enacts as statutes the substance, generally, of various provisions relative to cities and counties now found in the California Constitution which are to be omitted from proposed revised portions of the Constitution.

The provisions to be deleted from the Constitution which would be enacted as statutes include:

(1) Provisions establishing procedural requirements for the adoption, amendment, revision, or repeal of county charters.

(2) Procedural provisions for the adoption, amendment, or repeal of city charters.

(3) Provisions setting forth election procedures applicable to the adoption, amendment, or repeal of both county and city charters.

Provides procedure for new constitutional provision permitting governing boards of counties to propose adoption of county charters.

Argument in Favor of Proposition 2

Citizens who want stronger local government should vote **YES** on Proposition 2. A **YES** vote helps to meet the challenge of today's changing governmental needs. A **YES** vote gives local government more flexibility. It shortens the Constitution by eliminating obsolete provisions and modernizes it by rephrasing language.

Some of the changes that strengthen local government are as follows:

Proposition 2:

- (a) **Requires boards of supervisors to be elected**, while present constitution permits board of supervisors to be appointed.
- (b) **Lets county government set salaries of district attorneys and county auditors**, while only the Legislature can set these salaries under present constitution.
- (c) **Counties can establish new departments without legislative approval**, while only the Legislature can establish these departments under present constitution.

- (d) **Legislature must provide for city powers**, while not required under present constitution.
- (c) **Prohibits annexation or consolidation of a city without voter approval**, whereas this is vague and uncertain under present constitution.
- (f) **Permits all cities to have charters**, while only cities over 3500 in population can have charters under present constitution.
- (g) **Majority can adopt or repeal charter**, while majority can adopt but two-thirds required for repeal of charter under present constitution.
- (h) **Makes most provisions applicable to both cities and counties**, while laws applying to cities and counties are different under present constitution.
- (i) **Requires voter approval for county consolidation or formation of new counties**, while no voter approval is required under present constitution.

The present local government article is longer than the entire United States Constitution. Proposition 2 transfers many nonfundamental provisions to the statute books. Remaining in the Constitution will be precise guarantees of the fundamental structure and powers of local government. The right to adopt charters, the right to home rule, and the right to exercise local police powers are

revised. The revision has been approved by local government officials, and is endorsed by the League of California Cities and the County Supervisors Association.

Members of the Constitution Revision Commission and your legislators have spent thousands of hours preparing and approving these recommendations. All Commission meetings are public and thousands of interested citizens received Commission materials concerning these recommendations.

The Legislature also held extensive public hearings to consider these recommendations. Following these hearings both the Senate and Assembly approved these propositions by a two-thirds vote.

A **YES** vote enables local government to continue as a key part of our governmental system. A no vote perpetuates constitutional provisions which weaken local government.

JOHN T. KNOX
Assemblyman, 11th District

JOHN A. NEJEDLY
Senator, 7th District

BRUCE W. SUMNER
Chairman, Constitution Revision Commission

Rebuttal to Argument in Favor of Proposition 2

In spite of the selling points made by the proponents, this proposition simply says, "Let

the Legislature make some of the decisions that have traditionally been those of the people themselves." The proponents emphasize that under the revision, members of the "governing board" of each county will be elected. Nothing, however, in the new revision provides for the selection of sheriffs, county clerks, district attorneys or many other local officials who are now elected but who, following the enactment of this revision, may well be appointed.

Under the proposed revision, the removal of the constitutional authority of the elected County District Attorney, removal of the term "uniform laws", and elimination of classification of counties by population could carry great problems as far as the present non-partisan county law enforcement officer, the district attorney is concerned. Uniform, state-wide law enforcement could well be jeopardized by an appointed district attorney, whose financial and job security is based upon the vote of three members of the "governing board".

In their argument, the proponents emphasize that the "Legislature must provide for city powers". In effect, this "granting of power" by the Legislature, dilutes the existing powers of the cities. Under our present constitution all matters pertaining to "municipal affairs" fall within the "home rule" provisions of a charter city if they are not in conflict with general state law. This is residual power. Power that is being taken from municipalities under the guise of obtaining powers from the Legislature.

CARLOS J. MOORHEAD
Member of the Assembly
43rd Assembly District

Argument Against Proposition 2

This proposition resubmits a portion of the Constitutional Revisions overwhelmingly disapproved by the electorate in the 1968 general election. A few minor amendments have been made, but the basic dangers of the original Article XI Revision submission remain. For example, the proposed revision:

—GIVES THE LEGISLATURE MANY NEW POWERS to modify or change the firm, unalterable mandates of the people as presently exists in the California Constitution;

—ELIMINATES SPECIFIC CONSTITUTIONAL LISTINGS of local, elected officials and allows the Legislature to combine, eliminate, or cause them to be appointed;

—DRASTICALLY CHANGES TRADITIONAL RELATIONSHIPS and inherent Constitutional powers of local governmental entities, such that future Legislatures will have the "statutory" power to establish regional governments—with powers of taxation and WITHOUT approval of the affected local electorate.

This measure casually removes from the Constitution language which over the years

has acquired an established meaning and substitutes undefined and ambiguous expressions which defeat, in themselves, the purported goal of "simplification".

The proposition effectively deletes certain sections of Article XI (Local Government) which have traditionally and legally established that the vote of the people and their locally elected officials would mutually determine needs and formations of "compacts of counties" for the solutions of compatible and contiguous local problems. It will, instead, give future legislators power to establish any type of regional government (in sections or in entirety) within the State of California by a majority vote of the Legislature. Stability of all governments must be based upon a concrete standard of basic guidelines—a Constitution—and not upon the changing whims of any particular partisan Legislature—now, or in the future.

THE PEOPLE OF THE STATE OF CALIFORNIA have relinquished much of their "power of determination" to their Legislature. Due to the 1966 Constitutional Revision approval, the Legislature NOW may submit "package revisions" of the California Constitution to the public for approval. The Electorate (in giving this power) are now penalized in that they can only submit "single subject" initiatives for referendum. Any errors in any "package" will take the public years and countless sums of money to rectify. In these "package revisions" the electorate accepts the good portions along with the bad. And although I recognize the definite need to eliminate obsolete and repetitious language in our Constitution and to rearrange and consolidate many of its sections, this suggested revision does not satisfactorily accomplish these goals.

Our Constitution is the basic, organic law of the State of California. It is a MANDATE OF THE PEOPLE to the Legislative, the Executive and the Judicial branches. Approval of this proposition would seriously weaken the basic "instructions of the people" to their State government and instead increase the power of the Legislative branch to decree "its mandates to the people".

I urge a "NO" vote on this proposition in order to assure the traditional Constitutional

safeguards which protect you against the self-serving concentration of excessive governmental power in Sacramento.

CARLOS J. MOORHEAD
Assemblyman, Forty-Third District

Rebuttal to Argument Against Proposition 2

The statement that Proposition 2 gives the Legislature "many new powers" is not true. No instance of this false argument is given because none can be cited!

Proposition 2 does eliminate the "specific listings" of some officials, but this is to allow local governments more flexibility in naming their own governing officials. The present Constitution does not now require that these officials be elected and does not prevent their consolidation. Many counties now combine offices such as coroner and public administrator, so clearly this is not now prevented. The requirement that these officials be elected is now in statute, not in the Constitution. Proposition 2 allows local government and the Legislature to designate local offices and for the first time makes it constitutionally required that boards of supervisors be elected (Section 1b).

Proposition 2 does not change the "traditional relationships" of local government. If this were so, the League of California Cities and the County Supervisors Association would not have supported the new language, nor would the members of the Legislature, as all have done.

No change is made in the existing powers of the Legislature or local governments to deal with regional problems. No additional legislative power in this area is provided by Proposition 2.

Proposition 2 takes some powers from the Legislature and gives it back to the local communities in appropriate areas, thus strengthening local government.

JUDGE BRUCE W. SUMNER,
Chairman,
Constitution Revision Commission
JOHN T. KNOX
Assemblyman, 11th District

Sec. 8. For the purposes of carrying out the provisions of this act the Director of Finance may by executive order authorize the withdrawal from the General Fund of an amount or amounts not to exceed the amount of the unsold bonds which have been authorized to be sold for the purpose of carrying out this act. Any amounts withdrawn shall be deposited in the University of California Health Science Facilities Construction Program Fund, and shall be reserved, allocated for expenditure, and expended as specified in Section 6 of this act. Any moneys made available under this section to the board shall be returned by the board to the General Fund from moneys received from the sale of bonds sold for the purpose of carrying out this act, together with interest at the rate of interest fixed in the bonds so sold.

Sec. 9. The bonds authorized by this act shall be prepared, executed, issued, sold, paid and redeemed as provided in the State

General Obligation Bond Law (Chapter 4 (commencing with Section 16720) of Part 3, Division 4, Title 2 of the Government Code), and all of the provisions of said law are applicable to said bonds and to this act and are hereby incorporated in this act as though set forth in full herein.

If Resolution Chapter 299 (Senate Constitutional Amendment No. 26) of the Statutes of 1969 is approved by the electors, the provisions thereof shall be applicable to bonds authorized by this act.

Sec. 10. The University of California Health Science Facilities Construction Program Committee is hereby created. The committee shall consist of the Governor, the State Controller, the State Treasurer, the Director of Finance, and the Chairman of the Regents of the University of California. For the purpose of this act, the University of California Health Science Facilities Construction Program Committee shall be the "committee" as that term is used in the State General Obligation Bond Law.

PARTIAL CONSTITUTIONAL REVISION: LOCAL GOVERNMENT.

2 Legislative Constitutional Amendment. Repeals, amends, revises, and renubmers various provisions of Constitution relating to local government.

YES

NO

(This amendment proposed by Assembly Constitutional Amendment No. 29, 1969 Regular Session, expressly repeals an existing article of the Constitution, and adds new sections and a new article thereto; therefore, **EXISTING PROVISIONS** proposed to be **DELETED** or **REPEALED** are printed in **STRIKEOUT TYPE**; and **NEW PROVISIONS** proposed to be **ADDED** are printed in **BOLDFACE TYPE**.)

PROPOSED AMENDMENTS TO ARTICLES II, XI, XIII, AND XXII

First—That Section 7 is added to Article II to read:

Sec. 7. All elective officers of counties, and of townships, of road districts and of highway construction divisions therein shall be nominated and elected in the manner provided by general laws for the nomination and election of such officers.

Second—That Article XI is repealed.

ARTICLE XI

CITIES, COUNTIES, AND TOWNS

SECTION 1. The several counties, as they now exist, are hereby recognized as legal subdivisions of this State.

Sec. 2. No county seat shall be removed unless two-thirds of the qualified electors of the county, voting on the proposition at a general election, shall vote in favor of such removal. A proposition of removal shall not be submitted in the same county more than once in four years.

Sec. 3. The Legislature, by general and uniform laws, may provide for the alteration of county boundary lines, and for the formation of new counties; *provided, however*, that no new county shall be established which shall reduce any county to a population of less than twenty thousand; nor shall a new county be formed containing a less population than eight thousand; nor shall any line thereof pass within five miles of the exterior boundary of the city or town in which the county seat of any county proposed to be divided is situated. Every county which shall be enlarged or created from territory taken from any other county or counties, shall be liable for a just proportion of the existing debts and liabilities of the county or counties from which such territory shall be taken.

Sec. 5. The Legislature, by general and uniform laws, shall provide for the election or appointment, in the several counties, of boards of supervisors, sheriffs, county clerks, district attorneys, and such other county, township, and municipal officers as public convenience may require, and shall prescribe their duties and fix their terms of office. It shall regulate the compensation of boards of supervisors, district attorneys and of auditors in the respective counties and for this purpose may classify the counties by population. It may regulate the compensation of grand and trial jurors in all courts within the classes of counties herein permitted to be made. The boards of supervisors in the respective counties shall regulate the compensation of all officers in said counties other than boards of supervisors, district attorneys, auditors, and judges of municipal courts, and shall regu-

late the number, method of appointment of office or employment; compensation of all deputies, assistants and employees of the counties.

The provisions of this section shall not be construed to abridge, modify or otherwise affect the provisions of Section 71½ and 81½ of this article, relating to county or city and county charters.

The compensation of any county, township or municipal officer shall not be increased after his election or during his term of office, nor shall the term of any such officer be extended beyond the period for which he was elected or appointed; however, the prohibition herein expressed shall not operate to prevent the adjustment of the compensation of all members of a board, commission, or council serving staggered terms whenever one or more members of such board, commission or council becomes eligible for a salary increase by virtue of his beginning a new term of office.

The Legislature by a two-thirds vote of the members of each House may suspend the provision hereof prohibiting the increase of compensation of any county, township or municipal officer after his election or during his term of office for any period during which the United States is engaged in war and for one year after the termination of hostilities therein as prohibited by the President of the United States.

The provisions of this section shall not prevent the allowance of any new or additional deputy or assistant to the principal in any county office during his term, nor shall they prevent any increase in the compensation of any deputy or assistant to such principal at any time.

The provisions of this section shall not abridge, modify or otherwise limit the power of the Legislature by general and uniform laws to prescribe the qualifications of any county officer or of any deputy or assistant, or to prescribe the method of appointment of any person so qualified.

Sec. 5-1. Every general law and chartered county, except as otherwise provided by the Legislature, shall be subject to the general laws relating to the adjustment of boundaries of county supervisorial districts.

Sec. 6. Corporations for municipal purposes shall not be created by special laws; but the Legislature shall, by general laws, provide for the incorporation, organization, and classification, in proportion to population, of cities and towns, which laws may be altered, amended, or repealed; and the Legislature may, by general laws, provide for the performance by county officers of certain of the municipal functions of cities and towns so incorporated. Cities and towns heretofore organized or incorporated may become organized under the general laws passed for that purpose; whenever a majority of the electors voting at a general election shall so determine; and shall organize in conformity therewith. Cities and towns heretofore organized

under charters framed and adopted by authority of this Constitution are hereby empowered, and cities and towns heretofore organized by authority of this Constitution amend their charters in the manner authorized by this Constitution so as to become likewise empowered hereunder to make and enforce all laws and regulations in respect to municipal affairs, subject only to the restrictions and limitations provided in their several charters; and in respect to other matters they shall be subject to and controlled by general laws. Cities and towns heretofore or hereafter organized by authority of this Constitution may, by charter provision or amendment provide for the performance by county officers of certain of their municipal functions; whenever the discharge of such municipal functions by county officers is authorized by general laws or by the provisions of a county charter framed and adopted by authority of this Constitution.

Any agreement entered into before the effective date of this amendment between a city and a county pursuant to general laws enacted by the Legislature which agreement provides for the performance by county officers of certain municipal functions of such city is hereby validated.

Sec. 7. City and county governments may be merged and consolidated into one municipal government, with one set of officers, and may be incorporated under general laws providing for the incorporation and organization of corporations for municipal purposes. Provisions of this Constitution applicable to cities and also those applicable to counties so far as not inconsistent or prohibited to cities shall be applicable to such consolidated government.

Sec. 71½. Any county may frame a charter for its own government consistent with and subject to the Constitution for, having framed such a charter, may frame a new one, and relating to matters authorized by provisions of the Constitution by creating a board of 15 freeholders who have been for at least five years qualified electors thereof, to be elected by the qualified electors of said county; at a general or special election. Said board of freeholders may be so elected in pursuance of an ordinance adopted by the vote of three-fifths of all the members of the board of supervisors of such county, declaring that the public interest requires the election of such board for the purpose of preparing and proposing a charter for said county; or in pursuance of a petition of qualified electors of said county as hereinafter provided. Such petition, signed by 15 per centum of the qualified electors of said county, completed upon the total number of votes cast therein for all candidates for Governor at the last preceding general election at which a Governor was elected, praying for the election of a board of 15 freeholders to prepare and propose a charter for said county, may be filed in the office of the county clerk. It shall be the duty of said county clerk, within 30 days after the

filing of said petition; to examine the same; and to ascertain from the record of the registration of electors of the county, whether said petition is signed by the requisite number of qualified electors. If required by said clerk, the board of supervisors shall authorize him to employ persons specially to assist him in the work of examining such petition; and shall provide for their compensation. Upon the completion of such examination, said clerk shall forthwith attach to said petition his certificate, properly dated, showing the result thereof, and if, by said certificate, it shall appear that said petition is signed by the requisite number of qualified electors, said clerk shall immediately present said petition to the board of supervisors, if it be in session; otherwise at its next regular meeting after the date of such certificate. Upon the adoption of such ordinance, or the presentation of such petition, said board of supervisors shall order the holding of a special election for the purpose of electing such board of freeholders, which said special election shall be held not less than 20 days nor more than 60 days after the adoption of the ordinance aforesaid or the presentation of said petition to said board of supervisors; provided, that if a general election shall occur in said county not less than 29 days nor more than 60 days after the adoption of the ordinance aforesaid, or such presentation of said petition to said board of supervisors, said board of freeholders may be elected at such general election. Candidates for electors as members of said board of freeholders shall be nominated substantially in the same manner as may be provided by general law for the nomination of candidates for county officers. It shall be the duty of said board of freeholders, within one year after the result of such election shall have been declared by said board of supervisors, to prepare and propose a charter for said county, which shall be signed in duplicate by the members of said board of freeholders, or a majority of them; and be filed: one copy in the office of the county clerk of said county and the other in the office of the county recorder thereof. Said board of supervisors shall thereupon cause said proposed charter to be published for at least 10 times in a daily newspaper of general circulation, printed, published and circulated in said county; provided, that in any county where no such daily newspaper is printed, published and circulated, such proposed charter shall be published for at least three times in at least one weekly newspaper, of general circulation, printed, published and circulated in such county; and provided, that in any county where neither such daily nor such weekly newspaper is printed, published and circulated, a copy of such proposed charter shall be posted by the county clerk in three public places in said county, and on or near the entrance to at least one public schoolhouse in each school district in said county; and the publication or the posting of such proposed charter shall be made within 15 days after the filing of a copy thereof, as aforesaid;

said, in the office of the county clerk. Said proposed charter shall be submitted by said board of supervisors to the qualified electors of said county at a special election held not less than 30 days nor more than 60 days after the completion of such publication; or after such posting; provided, that if a general election shall occur in said county not less than 30 days nor more than 60 days after the completion of such publication, or after such posting, then such proposed charter may be so submitted at such general election. If a majority of said qualified electors, voting thereon at such general or special election, shall vote in favor of such proposed charter, it shall be deemed to be ratified, and shall be forthwith submitted to the Legislature, if it be in regular session; otherwise at its next regular session, or it may be submitted to the Legislature in extraordinary session, for its approval or rejection as a whole, without power of alteration or amendment. Such approval may be made by concurrent resolution; and if approved by the majority vote of the members elected to each house, such charter shall become the charter of such county and shall become the organic law thereof relative to the matters therein provided; and supersede any existing charter framed under the provisions of this section, and all amendments thereof, and shall supersede all laws inconsistent with such charter relative to the matters provided in such charter. A copy of such charter, certified and authenticated by the chairman and clerk of the board of supervisors under the seal of said board and attested by the county clerk of said county, setting forth the submission of such charter to the electors of said county, and its ratification by them, shall, after the approval of such charter by the Legislature, be made in duplicate, and filed: one in the Office of the Secretary of State and the other, after being recorded in the office of the recorder of said county, shall be filed in the office of the county clerk thereof; and thereafter all courts shall take judicial notice of said charter.

The charter, so ratified, may be amended by proposals therefor submitted by the board of supervisors of the county to the qualified electors thereof at a general or special election held not less than thirty days nor more than sixty days after the publication of such proposals for ten times in a daily newspaper of general circulation, printed, published and circulated in said county; provided, that in any county where no such daily newspaper is printed, published and circulated, such proposed charter shall be published for at least three times in at least one weekly newspaper, of general circulation, printed, published and circulated in such county; provided, that in any county where neither such daily nor such weekly newspaper is printed, published and circulated, a copy of such proposed charter shall be posted by the county clerk in three public places in said county, and on or near the entrance to at least one public schoolhouse in each school district in said county. If a ma-

majority of such qualified electors voting thereon; at such general or special election; shall vote in favor of any such proposed amendment or amendments; or any amendment or amendments proposed by petition as hereinafter provided; such amendment or amendments shall be deemed to be ratified; and shall be forthwith submitted to the Legislature; if it be in regular session; otherwise at its next regular session; or may be submitted to the Legislature in extraordinary session; for approval or rejection as a whole; without power of alteration or amendment; and if approved by the Legislature; as herein provided for the approval of the charter; such charter shall be amended accordingly. A copy of such amendment or amendments shall; after the approval thereof by the Legislature; be made in duplicate; and shall be authenticated; certified; recorded and filed as herein provided for the charter; and with like force and effect. Whenever a petition signed by ten per centum of the qualified electors of any county; computed upon the total number of votes cast in said county for all candidates for Governor at the last general election; at which a Governor was elected; is filed in the office of the county clerk of said county; petitioning the board of supervisors thereof to submit any proposed amendment or amendments to the charter of such county; which amendment or amendments shall be set forth in full in such petition; to the qualified electors thereof; such petition shall forthwith be examined and certified by the county clerk; and if signed by the requisite number of qualified electors of such county; shall be presented to the said board of supervisors; by the said county clerk; as hereinbefore provided for petitions for the election of boards of freeholders. Upon the presentation of said petition to said board of supervisors; said board must submit the amendment or amendments set forth therein to the qualified electors of said county at a general or special election held not less than thirty days nor more than sixty days after the publication or posting of such proposed amendment or amendments in the same manner as hereinbefore provided in the case of the submission of any proposed amendment or amendments to such charter; proposed and submitted by the board of supervisors. In submitting any such charter; or amendments thereto; any alternative article or proposition may be presented for the choice of the electors; and may be voted on separately without prejudice to others.

Every special election held under the provisions of this section; for the election of boards of freeholders or for the submission of proposed charters; or any amendment or amendments thereto; shall be called by the board of supervisors; by ordinance; which shall specify the purpose and time of such election and shall establish the election precincts and designate the polling places therein; and the names of the election officers for each such precinct. Such ordinance; prior to such

election; shall be published five times in a daily newspaper; or twice in a weekly newspaper; if there be no such daily newspaper printed; published and circulated in such county; *provided*; that if no such daily or weekly newspaper be printed or published in such county; then a copy of such ordinance shall be posted by the county clerk in three public places in such county and in or near the entrance to at least one public schoolhouse in each school district therein. In all other respects; every such election shall be held and conducted; the returns thereof canvassed and the result thereof declared by the board of supervisors in the same manner as provided by law for general elections. Whenever boards of freeholders shall be elected; or any such proposed charter; or amendment or amendments thereto; submitted; at a general election; the general laws applicable to the election of county officers and the submission of propositions to the vote of electors; shall be followed in so far as the same may be applicable thereto.

It shall be competent; in all charters; framed under the authority given by this section to provide; in addition to any other provisions allowable by this Constitution; and the same shall provide; for the following matters:

1. For boards of supervisors and for the constitution; regulation and government thereof; for the times at which and the terms for which the members of said board shall be elected; for the number of members; not less than three; that shall constitute such boards; for their compensation and for their election; either by the electors of the counties at large or by districts; *provided*; that in any event said board shall consist of one member for each district; who must be a qualified elector thereof; and

2. For sheriffs; county clerks; treasurers; recorders; license collectors; tax collectors; public administrators; coroners; surveyors; district attorneys; auditors; assessors and superintendents of schools; for the election or appointment of said officers; or any of them; for the times at which and the terms for which; said officers shall be elected or appointed; and for their compensation; or for the fixing of such compensation by boards of supervisors; and; if appointed; for the manner of their appointment; and

3. For the number of justices of the peace and constables for each township; or for the number of such judges and other officers of such inferior courts as may be provided by the Constitution or general law; for the election or appointment of said officers; for the times at which and the terms for which said officers shall be elected or appointed; and for their compensation; or for the fixing of such compensation by boards of supervisors; and if appointed; for the manner of their appointment; and

4. For the powers and duties of boards of supervisors and all other county officers; for

their removal and for the consolidation and segregation of county offices; and for the manner of filling all vacancies occurring therein; *insofar* that the provisions of such charters relating to the powers and duties of boards of supervisors and all other county officers shall be subject to and controlled by general laws; and

17. For the nomination and discharge by county officers of certain of the municipal functions of the cities and towns within the county, whenever, in the case of cities and towns incorporated under general laws, the discharge by county officers of such municipal functions is authorized by general law, or whenever, in the case of cities and towns organized under Section 8 of this article, the discharge by county officers of such municipal functions is authorized by provisions of the charters or by amendments thereto, of such cities or towns.

5. For the fixing and regulation by boards of supervisors, by ordinance, of the appointment and number of assistants, deputies, clerks, attaches and other persons to be employed, from time to time, in the several offices of the county, and for the prescribing and regulating by such boards of the powers, duties, qualifications and compensation of such persons, the times at which, and terms for which they shall be appointed, and the manner of their appointment and removal;

6. For the compensation of such fish and game wardens, probation and other officers as may be provided by general law, or for the fixing of such compensation by boards of supervisors;

All elective officers of counties, and of townships, of road districts and of highway construction divisions therein shall be nominated and elected in the manner provided by general laws for the nomination and election of such officers.

All charters framed under the authority given by this section, in addition to the matters hereinabove specified, may provide as follows:

For officers other than those required by the Constitution and laws of the State, or for the creation of any or all of such offices by boards of supervisors; for the election or appointment of persons to fill such offices; for the manner of such appointment; for the times at which and the terms for which such persons shall be so elected or appointed; and for their compensation, or for the fixing of such compensation by boards of supervisors.

For officers hereafter created by this Constitution or by general law, for the election or appointment of persons to fill such offices; for the manner of such appointment; for the times at which and the terms for which such persons shall be so elected or appointed; and for their compensation, or for the fixing of such compensation by boards of supervisors. For the formation, in such counties, of road districts for the care, maintenance, repair, in-

spection and supervision only of roads, highways and bridges; and for the formation, in such counties, of highway construction divisions for the construction only of roads, highways and bridges; for the inclusion in any such district or division, of the whole or any part of any incorporated city or town upon ordinance passed by such incorporated city or town authorizing the same; and upon the assent to such inclusion by a majority of the qualified electors of such incorporated city or town, or portion thereof, proposed to be so included, at an election held for that purpose; for the organization, government, powers and jurisdiction of such districts and divisions; and for raising revenue therein, for such purposes, by taxation, upon the assent of a majority of the qualified electors of such districts or divisions, voting at an election to be held for that purpose; for the incurring of indebtedness thereof by such counties, districts or divisions for such purposes respectively, by the issuance and sale, by the collector of bonds of such counties, districts or divisions, and the expenditure of the proceeds of the sale of such bonds, and for levying and collecting taxes against the property of the counties, districts or divisions; in the case may be, for the payment of the principal and interest of such indebtedness at maturity; provided, that any such indebtedness shall not be incurred without the assent of two-thirds of the qualified electors of the county, district or division, as the case may be, voting at an election to be held for that purpose; nor unless before or at the time of incurring such indebtedness provision shall be made for the collection of an annual tax sufficient to pay the interest on such indebtedness as it falls due; and also for a sinking fund for the payment of the principal thereof on or before maturity, which shall not exceed forty years from the time of contracting the same; and the procedure for voting, issuing and selling such bonds shall, except in so far as the same shall be prescribed in such charters, conform to general laws for the authorizing and incurring by counties of bonded indebtedness, so far as applicable; provided, further, that provisions in such charters for the construction, care, maintenance, repair, inspection and supervision of roads, highways and bridges for which and from the State is granted, shall be subject to such regulations and conditions as may be imposed by the Legislature.

Whenever any county has framed and adopted a charter, and the same shall have been approved by the Legislature, as herein provided, the general laws adopted by the Legislature in pursuance of Sections 4 and 5 of this article, shall, as to such county, be superseded by said charter as to matters for which under this section it is competent to make provision in such charter, and for which provision is made therein, except as herein otherwise expressly provided; and except that any such charter shall not affect the tenure of office of the elective officers of the county, or of any district, township or division thereof,

in office at the time such charter goes into effect, and such officers shall continue to hold their respective offices until the expiration of the term for which they shall have been elected, unless sooner removed in the manner provided by law.

The charter of any county, adopted under the authority of this section, may be surrendered and annulled with the assent of two-thirds of the qualified electors of such county, voting at a special election, held for that purpose, and to be ordered and called by the board of supervisors of the county upon receiving a written petition, signed and certified as hereinabove provided for the purposes of the adoption of charters, requesting said board to submit the question of the surrender and annulment of such charter to the qualified electors of such county; and, in the event of the surrender and annulment of any such charter, such county shall thereafter be governed under general laws in force for the government of counties.

The provisions of this section shall not be applicable to any county that is consolidated with any city.

Sec. 7 1/2 b. No incorporated city or town shall ever be transferred or annexed to, or consolidated with, any other municipality, or consolidated city and county, without the consent of a majority of the voters of such incorporated city or town voting at an election called for that purpose.

Sec. 8. (a) Any city or city and county containing a population of more than 3,500 inhabitants, as ascertained by the last preceding census taken under the authority of the Congress of the United States or of the Legislature of California, may frame a charter for its own government, consistent with and subject to this Constitution; and any city or city and county having adopted a charter may adopt a new one. Any such charter may be framed by a board of 15 freeholders chosen by the electors of such city or city and county, at any general or special election, but no person shall be eligible as a candidate for such board unless he shall have been, for the five years next preceding, an elector of said city or city and county. An election for choosing freeholders may be called by a two-thirds vote of the legislative body of such city or city and county, and on presentation of a petition signed by not less than 15 percent of the registered electors of such city or city and county, the legislative body shall call such election at any time not less than 30 nor more than 60 days from date of the filing of the petition. Any such petition shall be verified by the authority having charge of the registration records of such city or city and county and the expenses of such verification shall be provided by the legislative body thereof.

(b) Candidates for the office of freeholders shall be nominated either in such manner as may be provided for the nomination of officers of the municipal or city and county government or by petition, substantially in the same

manner as may be provided by general laws for the nomination by petition of electors of candidates for public offices to be voted for general elections.

(c) At such election the electors shall vote first on the question "Shall a board of freeholders be elected to frame a proposed new charter?" and secondly for the candidates of the office of freeholder. If the first question receives a majority of votes of the qualified voters voting thereon at such election, the 15 candidates for the office of freeholder receiving the highest number of votes shall forthwith organize as a board of freeholders, but if the first question receives less than a majority of the votes of the qualified voters voting thereon at such election no board of freeholders shall be deemed to have been elected.

(d) The board of freeholders shall, within one year after the result of the election is declared, prepare and propose a charter for the government of such city or city and county. The charter so prepared shall be signed by a majority of the board of freeholders and filed in the office of the clerk of the legislative body of said city or city and county. The legislative body of said city or city and county shall, within 15 days after such filing, cause such charter to be published once in the official newspaper of said city or city and county and each edition thereof, during the day of publication (or in case there be no such official newspaper, in a newspaper of general circulation within such city or city and county and all the editions thereof issued during the day of publication) and in any city or city and county with over 50,000 population shall cause copies of such charter to be printed in convenient pamphlet form and in type of not less than 10-point and shall cause copies thereof to be mailed to each of the qualified electors of such city or city and county, and shall, until the day fixed for the election upon such charter, advertise in one or more newspapers of general circulation in said city or city and county a notice that copies thereof may be had upon application therefor.

(e) Such charter shall be submitted to the electors of such city or city and county at a date to be fixed by the board of freeholders, before such filing and designated on such charter, either at a special election held not less than 60 days from the completion of the publication of such charter as above provided, or at the general election next following the expiration of said 60 days.

(f) As an alternative, the legislative body of any such city or city and county, on its own motion may frame or cause to be framed, a proposed charter and submit the proposal for the adoption thereof to the electors at either a special election called for that purpose or at any general or special election. A charter so submitted shall be advertised in the same manner as herein provided for the advertisement of a charter proposed by a board of freeholders, and the election thereon held

at a date to be fixed by the legislative body of such city or city and county; not less than 40 nor more than 60 days after the completion of the advertising in the official paper.

(g) If a majority of the qualified voters voting thereon at such general or special election shall vote in favor of such proposed charter, it shall be deemed to be ratified, and shall be submitted to the Legislature, if then in session; or at the next regular or special session of the Legislature. The Legislature shall by concurrent resolution approve or reject such charter as a whole, without power of alteration or amendment; and if approved by a majority of the members elected to each house it shall become the organic law of such city or city and county and supersede any existing charter and all laws inconsistent therewith. One copy of the charter so ratified and approved shall be filed with the Secretary of State, one with the recorder in the county in which such city is located, and one in the archives of the city; and in the case of a city and county one copy shall be filed with the recorder thereof, and one in the archives of such city and county; and thereafter the courts shall take judicial notice of the provisions of such charter.

(h) The charter of any city or city and county may be amended by proposals therefor submitted by the legislative body thereof on initiative motion or on petition signed by 15 per cent of the registered electors, or both. Such proposals shall be submitted to the electors at either a special election called for that purpose or at any general or special election. Petitions for the submission of any amendment shall be filed with the legislative body of the city or city and county not less than 60 days prior to the general election next preceding a regular session of the Legislature. The signatures on such petitions shall be verified by the authority having charge of the registration records of such city or city and county, and the expenses of such verification shall be provided by the legislative body thereof. If such petitions have a sufficient number of signatures the legislative body of the city or city and county shall so submit the amendment or amendments so proposed to the electors. Amendments proposed by the legislative body and amendments proposed by petition of the electors may be submitted at the same election. The amendments so submitted shall be advertised in the same manner as herein provided for the advertisement of a proposed charter, and the election thereon, held at a date to be fixed by the legislative body of such city or city and county, not less than 40, and not more than 60, days after the completion of the advertising in the official paper.

If a majority of the qualified voters vote on any such amendment vote in favor thereof, it shall be deemed ratified, and shall be submitted to the Legislature if then in session; or at the regular or special session next following such election; and approved or

rejected without power of alteration in the same manner as herein provided for the approval or rejection of a charter.

(j) In submitting any such charter or amendment separate propositions, whether alternative or conflicting, or one included within the other, may be submitted at the same time to be voted on by the electors separately; and, as between those so related, if more than one receive a majority of the votes, the proposition receiving the largest number of votes shall control as to all matters in conflict. It shall be competent in any charter framed under the authority of this section to provide that the municipality governed thereunder may make and enforce all laws and regulations in respect to municipal affairs, subject only to the restrictions and limitations provided in their several charters and in respect to other matters they shall be subject to general laws. It shall be competent in any charter to provide for the establishment of a borough system of government for the whole or any part of the territory of the city or city and county governed thereby, by which one or more boroughs or districts may be created therein and to provide that each borough or district may exercise such general or special municipal powers, and to be administered in such manner, as may be provided for such boroughs and districts in the charter of the city or city and county.

(k) The percentages of the registered electors herein required for the election of freeholders or the submission of amendments to charters shall be calculated upon the total vote cast in the city or city and county at the last preceding general state election; and the qualified electors shall be those whose names appear upon the registration records of the same or preceding year. The election laws of such city, or city and county shall, so far as applicable, govern all elections held under the authority of this section.

Sec. 8½. It shall be competent, in all charters framed under the authority given by section eight of this article, to provide, in addition to those provisions allowable by this Constitution, and by the laws of the State as follows:

1. For the constitution, regulation, government, and jurisdiction of police courts, and for the manner in which, the times at which, and the terms for which the judges of such courts shall be elected or appointed, and for the qualifications and compensation of said judges and of their clerks and attaches; and for the establishment, constitution, regulation, government and jurisdiction of municipal courts and judges thereof, with such civil, criminal and magisterial jurisdiction as by law may be conferred upon inferior courts and judges thereof; and for the manner in which, the times at which and the terms for which the judges of such courts shall be elected or appointed, and for the qualifications and compensation of said judges and of their clerks and attaches; provided, such mu-

municipal courts shall never be deprived of the jurisdiction given inferior courts created by general law.

In any city or any city and county, when such municipal court has been established, there shall be no other court inferior to the superior court; and pending actions, trials, and all pending business of inferior courts within the territory of such city or city and county, upon the establishment of any such municipal court, shall be and become pending in such municipal court; and all records of such inferior courts shall thereupon be and become the records of such municipal court.

2. For the manner in which, the times at which, and the terms for which the members of boards of education shall be elected or appointed, for their qualifications, compensation and removal, and for the number which shall constitute any one of such boards.

3. For the manner in which, the times at which and the terms for which the members of the boards of police commissioners shall be elected or appointed, and for the constitution, regulation, compensation, and government of such boards and of the municipal police force.

4. For the manner in which and the times at which any municipal election shall be held and the result thereof determined; for the manner in which, the times at which, and the terms for which the members of all boards of election shall be elected or appointed; and for the constitution, regulation, compensation and government of such boards, and of their clerks and attaches, and for all expenses incident to the holding of any election.

It shall be competent in any charter framed in accordance with the provisions of this section, or Section 8 of this article, for any city or consolidated city and county, and plenary authority is hereby granted, subject only to the restrictions of this article, to provide therein or by amendment thereto, the manner in which, the method by which, the times at which, and the terms for which the several county and municipal officers and employees whose compensation is paid by such city or city and county, excepting judges of the superior court, shall be elected or appointed, and for their recall and removal, and for their compensation, and for the number of deputies, clerks and other employees that each shall have, and for the compensation, method of appointment, qualifications, tenure of office and removal of such deputies, clerks and other employees. All provisions of any charter of any such city or consolidated city and county, heretofore adopted, and amendments thereto, which are in accordance herewith, are hereby confirmed and declared valid.

5. It shall be competent in any charter or amendment thereof, which shall hereafter be framed under the authority given by Section 8 of this article, by any city having a population in excess of fifty thousand ascertained as prescribed by said Section 8, to provide for the separation of said city from the county of which it has theretofore been a part and

the formation of said city into a consolidated city and county to be governed by such charter, and to have combined powers of a city and county, as provided in this Constitution for consolidated city and county government; and further to prescribe in said charter the date for the beginning of the official existence of said consolidated city and county.

It shall also be competent for any such city, not having already consolidated as a city and county to hereafter frame, in the manner prescribed in Section 8 of this article, a charter providing for a city and county government, in which charter there shall be prescribed territorial boundaries which may include contiguous territory not included in such city, which territory, however, must be included in the county within which such city is located.

If no additional territory is proposed to be added, then, upon the consent to the separation of any such city from the county in which it is located, being given by a majority of the qualified electors voting thereon in such county and upon the ratification of such charter by a majority of the qualified electors voting thereon in such city, and the approval thereof by the Legislature, as prescribed in Section 8 of this article, said charter shall be deemed adopted and upon the date fixed therein said city shall be and become a consolidated city and county.

If additional territory which consists wholly of only one incorporated city or town or which consists wholly of unincorporated territory, is proposed to be added, then, upon the consent to such separation of such territory and of the city initiating the consolidation proposal being given by a majority of the qualified electors voting thereon in the county in which the city proposing such separation is located, and upon the ratification of such charter by a majority of the qualified electors voting thereon in such city so proposing the separation, and also upon the approval of the proposal hereinafter set forth, by a majority of the qualified electors voting thereon in the whole of such additional territory, and the approval of said charter by the Legislature, as prescribed in Section 8 of this article, said charter shall be deemed adopted, the indebtedness hereinafter referred to shall be deemed to have been assumed, and upon the date fixed in said charter such territory and such city shall be and become one consolidated city and county.

The proposal to be submitted to the territory proposed to be added shall be substantially in the following form and submitted as one indivisible question:

"Shall the territory (herein designate in general terms the territory to be added) consolidate with the city of (herein insert name of the city initiating the proposition to form a city and county government) in a consolidated city and county government, and the charter as prepared by the city of (herein insert the name of the city initiating such proposition) be adopted as the charter of the consolidated city and county, and shall the

said added territory become subject to taxation along with the entire territory of the proposed city and county, in accordance with the assessable valuation of the property of the said territory, for the following indebtedness of said city (herein insert name of the city initiating such proposition) to wit: (herein insert in general terms reference to any debts to be assumed, and if none insert 'none')."

If additional territory is proposed to be added, which includes unincorporated territory and one or more incorporated cities or towns, or which includes more than one incorporated city or town, the consent of any such incorporated city or town shall be obtained by a majority vote of the qualified electors thereof voting upon a proposal substantially as follows:

"Shall (herein insert the name of the city or town to be included in such additional territory) be included in a district to be hereafter defined by the city of (herein insert the name of the city initiating the proposition to form a city and county government) which district shall, within two years from the date of this election, vote upon a proposal submitted as one indivisible question that such district to be then described and set forth shall consolidate with (herein insert name of the city initiating said consolidation proposition) in a consolidated city and county government, and also that a certain charter, to be prescribed by the city of (herein insert name of the city initiating such proposition) be adopted as the charter of such consolidated city and county, and that such district become subject to taxation along with the entire territory of the proposed city and county in accordance with the assessable valuation of the property of said district for the following indebtedness of said city of (herein insert name of the city initiating such proposition) to wit: (herein insert in general terms, reference to any debts to be assumed and if none insert 'none')."

Any and all incorporated cities or towns to which the foregoing proposal shall have been submitted and a majority of whose qualified electors voting thereon shall have voted in favor thereof, together with such unincorporated territory as the city initiating such consolidation proposal may desire to have included, the whole to form an area contiguous to said city, shall be created into a district by such city, and the proposal substantially as above prescribed to be used when the territory proposed to be added consists wholly of only one incorporated city or town, or wholly of unincorporated territory, shall, within two years, be submitted to the voters of said entire district as one indivisible question.

Upon consent to the separation of such district and of the city initiating the consolidation proposal being given by a majority of the qualified electors voting thereon in the county in which the city proposing such separation is located, and upon the ratification of such charter by a majority of the qualified electors voting thereon in such city, and upon the ap-

proval of the proposal hereinbefore set forth by a majority of the qualified electors voting thereon in the whole of said district so proposed to be added, and upon the approval of said charter by the Legislature, as prescribed in Section 8 of this article, said charter shall be deemed adopted; the said indebtedness referred to in said proposal shall be deemed to have been assumed, and upon the date fixed in said charter, such district and such city shall be and become one consolidated city and county.

6. It shall be competent for any consolidated city and county now existing, or which shall hereafter be organized, to annex territory contiguous to such consolidated city and county, unincorporated or otherwise, whether situated wholly in one county, or parts thereof be situate in different counties, said annexed territory to be an integral part of such city and county, provided that such annexation of territory shall only include any part of the territory which was at the time of the original consolidation of the annexing city and county, within the county from which such annexing city and county was formed, together with territory which was concurrently, or has since such consolidation been joined in a county government with the area of the original county not included in such consolidated city and county.

If additional territory, which consists wholly of only one incorporated city, city and county or town, or which consists wholly of unincorporated territory, is proposed to be annexed to any consolidated city and county now existing or which shall hereafter be organized, then, upon the consent to any such annexation being given by a majority of the qualified electors voting thereon in any county or counties in which any such additional territory is located, and upon the approval of such annexation proposal by a majority of the qualified electors voting thereon in such city and county, and also upon the approval of the proposal hereinafter set forth by a majority of the qualified electors voting thereon in the whole of such territory proposed to be annexed, the indebtedness hereinafter referred to shall be deemed to have been assumed, and at the time stated in such proposal, such additional territory and such city and county shall be and become one consolidated city and county, to be governed by the charter of the city and county proposing such annexation, and any subsequent amendment thereto.

The proposal to be submitted to the territory proposed to be annexed, shall be substantially in the following form and submitted as one indivisible question:

"Shall the territory (herein designate in general terms the territory to be annexed) consolidate with the city and county of (herein insert the name of the city and county initiating the annexation proposal) in a consolidated city and county government, said consolidation to take effect (herein insert date when such consolidation shall take effect) and

shall the said annexed territory become subject to taxation, as an integral part of the city and county so formed, in accordance with the assessable valuation of property of said territory for the following indebtedness of said city and county of (herein insert name of the city and county) to wit: (herein insert in general terms, reference to any debts to be assumed and if none insert 'none')?"

If additional territory including unincorporated territory and one or more incorporated cities, cities and counties, or towns; or including more than one incorporated city, city and county, or town, is proposed to be annexed to any consolidated city and county now existing or which shall hereafter be organized, the consent of each such incorporated city, city and county, or town, shall be obtained by a majority vote of the qualified electors of any such incorporated city, city and county, or town, voting upon a proposal substantially as follows:

"Shall (herein insert name of the city, city and county, or town, to be included in such annexed territory) be included in a district to be hereafter defined by the city and county of (herein insert the name of the city and county initiating the annexation proposal) which district shall within two years from the date of this election vote upon a proposal submitted as one indivisible question; that such district to be then described and set forth shall consolidate with (herein insert name of the city and county initiating the annexation proposal) in a consolidated city and county government; and that such district become subject to taxation, along with the entire territory of the proposed city and county in accordance with the assessable valuation of the property of said district for the following indebtedness of said city and county of (herein insert name of the city and county initiating the annexation proposal) to wit: (herein insert in general terms, reference to any debts to be assumed and if none insert 'none')?"

Any and all incorporated cities, cities and counties, or towns, to which the foregoing proposal shall have been submitted, and a majority of whose qualified electors voting thereon shall have voted in favor thereof, together with such unincorporated territory as the city and county initiating such annexation proposal may desire to have included, the whole to form an area contiguous to said city and county, shall be created into a district by said city and county, and the proposal substantially in the form above set forth to be used when the territory proposed to be added consists wholly of only one incorporated city, city and county, or town, or wholly of unincorporated territory, shall, within said two years, be submitted to the voters of said entire district as one indivisible question.

Upon consent to any such annexation being given by a majority of the qualified electors voting thereon in any county or counties in which any such territory proposed to be annexed to said city and county is located, and

upon the approval of any such annexation proposal by a majority of the qualified electors voting thereon in such city and county proposing such annexation; and also upon approval of the proposal hereinbefore set forth by a majority of the qualified electors voting thereon in the whole of the district so proposed to be annexed; then, the said indebtedness referred to in said proposal shall be deemed to have been assumed; and upon the date stated in such annexation proposal such district and such city and county shall be and become one consolidated city and county, to be governed by the charter of the city and county proposing such annexation; and any subsequent amendment thereto.

Whenever any proposal is submitted to the electors of any county, territory, district, city, city and county, or town, as above provided, there shall be published, for at least five successive publications, in a newspaper of general circulation printed and published in any such county, territory, district, city, city and county, or town, the last publication to be not less than twenty days prior to any such election; a particular description of any territory or district to be separated, added, or annexed, together with a particular description of any debts to be assumed, as above referred to, unless such particular description is contained in the said proposal so submitted. In addition to said description, such territory shall also be designated in such notice by some appropriate name or other words of identification by which such territory may be referred to and indicated upon the ballots to be used at any election at which the question of annexation or consolidation of additional territory is submitted as herein provided. If there be no such newspaper so printed and published in any such county, territory, district, city, city and county, or town, then such publication may be made in any newspaper of general circulation printed and published in the nearest county, city, city and county, or town where there may be such a newspaper so printed and published.

If, by the adoption of any charter, or by annexation, any incorporated municipality becomes a portion of a city and county, its property, debts and liabilities of every description shall be and become the property, debts and liabilities of such city and county.

Every city and county which shall be formed, or the territory of which shall be enlarged as herein provided from territory taken from any county or counties, shall be liable for a just proportion of the debts and liabilities and be entitled to a just proportion of the property and assets of such county or counties, existing at the time such territory is so taken.

The provisions of this Constitution applicable to cities, and cities and counties, and also those applicable to counties, so far as inconsistent or prohibited to cities, or cities and counties, shall be applicable to such consolidated city and county government; and no provision of subdivision five or six of this sec-

tion shall be construed as a restriction upon the plenary authority of any city or county having a freeholders' charter, as provided for in this Constitution; to determine in said charter any and all matters elsewhere in this Constitution authorized and not inconsistent herewith.

The Legislature shall provide for the formation of one or more counties from the portion or portions of a county or counties remaining after the formation of or annexation to a consolidated city and county, or for the transfer of such portion or portions of such original county or counties to adjoining counties. But such transfer to an adjoining county shall only be made after approval by a majority vote of the qualified electors voting thereon in such territory proposed to be so transferred.

The provisions of section two of this article, and also those provisions of section three of this article which refer to the passing of any county line within five miles of the exterior boundary of a city or town in which a county seat of any county proposed to be divided is situated; and to the reducing of the population of any county upon the establishment of a new county; and to the minimum population on the forming of a new county, shall not apply to the formation of, nor to the extension of the territory of such consolidated cities and counties; nor to the formation of new counties; nor to the annexation of existing counties as herein specified.

Any city and county formed under this section shall have the right, if it so desires, to be designated by the official name of the city initiating the consolidation as it existed immediately prior to its adoption of a charter providing for a consolidated city and county government; except that such city and county shall be known under the style of a city and county.

It shall be competent in any charter framed for a consolidated city and county, or by amendment thereof, to provide for the establishment of a borough system of government for the whole or any part of the territory of said city and county, by which one or more districts may be created therein, which districts shall be known as boroughs and which shall exercise such municipal powers as may be granted thereto by such charter, and for the organization, regulation, government and jurisdiction of such boroughs; *provided*, that in the event of such establishment or creation of a borough or boroughs, as hereinabove permitted, the boundaries thereof shall never afterwards be changed or altered; nor shall the governmental rights, powers or jurisdiction of any such borough or boroughs be thereafter limited, extended, modified or taken away; unless and until the borough or boroughs affected by such proposed change or extension of boundaries, or by the proposed limitation, extension, modification or taking away of governmental rights, powers or jurisdiction, as the case may be, shall each have consented thereto, by the vote of a majority

of the voters in each and every such borough, voting at an election or elections called and held for such purpose in each of the boroughs so affected.

No property in any territory hereafter consolidated with or annexed to any city or county shall be taxed for the payment of any indebtedness of such city or county and county outstanding at the date of such consolidation or annexation and for the payment of which the property in such territory was not, prior to such consolidation or annexation, subject to such taxation, unless there shall have been submitted to the qualified electors of such territory the proposition regarding the assumption of indebtedness as hereinbefore set forth and the same shall have been approved by a majority of such electors voting thereon.

7. In all cases of annexation of unincorporated territory to an incorporated city, or the consolidation of two or more incorporated cities, assumption of existing bonded indebtedness by such unincorporated territory or by either of the cities so consolidating may be made by a majority vote of the qualified electors voting thereon in the territory or city which shall assume an existing bonded indebtedness. This provision shall apply whether annexation or consolidation is effected under this section or any other section of this Constitution; and the provisions of Section 18 of this article shall not be a prohibition thereof.

The Legislature shall enact such general laws as may be necessary to carry out the provisions of this section and such general or special laws as may be necessary to carry out the provisions of subdivisions 5 and 6 of this section; including any such general or special act as may be necessary to permit a consolidated city and county to submit a new charter or charter amendment to take effect at the time that any consolidation, by reason of annexation to such consolidated city and county, takes effect; and, also, any such general law or special act as may be necessary to provide for any period after such consolidation, by reason of such annexation, takes effect; and prior to the adoption and approval of any such new charter or charter amendment.

Sec. 10. No provision of this article shall limit the power of the Legislature to prescribe procedures governing the presentation, consideration and enforcement of claims against chartered counties, chartered cities and counties, and chartered cities, or against officers, agents and employees thereof.

Sec. 11. Any county, city, town, or township may make and enforce within its limits all such local, police, sanitary, and other regulations as are not in conflict with general laws.

Sec. 12. Except as otherwise provided in this Constitution, the Legislature shall have no power to impose taxes upon counties, cities, towns or other public or municipal corporations, or upon the inhabitants or property thereof, for county, city, town, or other

municipal purposes; but may, by general laws, vest in the corporate authorities thereof the power to assess and collect taxes for such purposes.

All property subject to taxation shall be assessed for taxation at its full cash value.

Sec. 12. The Legislature shall not delegate to any special commission; private corporation; company; association or individual any power to make, control, appropriate, supervise or in any way interfere with any county, city, town or municipal improvement, money, property, or effects; whether held in trust or otherwise; or to levy taxes or assessments or perform any municipal function whatever; except that the Legislature shall have power to provide for the supervision, regulation and conduct in such manner as it may determine, of the affairs of irrigation districts; reclamation districts or drainage districts; organized or existing under any law of this State.

Sec. 12½. Any county, city and county, city, town, municipality, irrigation district, or other public corporation, issuing bonds under the laws of the State, is hereby authorized and empowered to make said bonds and the interest thereon payable at any place or places within or outside of the United States, and in any money, domestic or foreign, designated in said bonds.

Sec. 14. The Legislature may by general and uniform laws provide for the inspection, measurement and graduation of merchandise, manufactured articles and commodities; and may provide for the appointment of such officers as may be necessary for such inspection, measurement and graduation.

Sec. 15. Private property shall not be taken or sold for the payment of the corporate debt of any political or municipal corporation.

Sec. 16. All moneys, assessments, and taxes belonging to or collected for the use of any county, city, town, or other public or municipal corporation, coming into the hands of any officer thereof, shall immediately be deposited with the Treasurer, or other legal depository, to the credit of such city, town, or other corporation respectively, for the benefit of the funds to which they respectively belong.

Sec. 16½. All moneys belonging to, or in the custody of, the State, or any county, city and county, city, town, municipality or other public or municipal corporation, within this State may be deposited in any national bank or banks within this State, or in any bank or banks organized under the laws of this State, in such manner and under such conditions as may be provided by any law adopted by the people under the initiative or by a two-thirds vote of each House of the Legislature and approved by the Governor and subject to the referendum; *provided*, that the laws now governing the deposit of such moneys shall continue in force until such laws shall be

amended, changed or repealed as in this section authorized; and *provided, further*, if the State or any county, city and county, town, municipality or other public or municipal corporation, issuing bonds under the laws of this State, may deposit moneys in any bank or banks outside this State for the payment of the principal or interest of such bonds at the place or places at which the same are payable.

Sec. 17. The making of profit out of county, city, town, or other public money, or using the same for any purpose not authorized by law, by any officer having the possession or control thereof, shall be a felony, and shall be prosecuted and punished as prescribed by law.

Sec. 18. No county, city, town, township, board of education, or school district, shall incur any indebtedness or liability in any manner or for any purpose exceeding in any year the income and revenue provided for such year, without the assent of two-thirds of the qualified electors thereof, voting at an election to be held for that purpose, nor unless before or at the time of incurring such indebtedness provision shall be made for the collection of an annual tax sufficient to pay the interest on such indebtedness as it falls due, and also provision to constitute a sinking fund for the payment of the principal thereof, on or before maturity, which shall not exceed forty years from the time of contracting same; *provided*, however, anything to the contrary herein notwithstanding, when two or more propositions for incurring any indebtedness or liability are submitted at the same election, the votes cast for and against each proposition shall be counted separately, and when two-thirds of the qualified electors, voting on any one of such propositions, vote in favor thereof, such proposition shall be deemed adopted.

Sec. 18½. Whenever under the laws of this State or under its charter any city, county, city and county, parking authority, district, or other public body is authorized to acquire or construct public parking lots, garages, or other automotive parking facilities, and for the payment of the cost of any thereof, to issue any bonds or other securities payable in whole or in part from revenues of any such parking facilities, such public body, and any other public body within the territorial area of which such public parking facilities are or will be situated, is also authorized to pledge, place a charge upon, or otherwise make available, as additional security for the payment of such securities, any or all revenues from any or all street parking meters then owned or controlled or to be acquired or controlled by it.

Sec. 19. Any municipal corporation establish and operate public works for supplying its inhabitants with light, water, power, heat, transportation, telephone service or other means of communication. Such works may be acquired by original construction or by the

purchase of existing works, including their franchises, or both. Persons or corporations may establish and operate works for supplying the inhabitants with such services upon such conditions and under such regulations as the municipality may prescribe under its organic law, on condition that the municipal government shall have the right to regulate the charges thereof. A municipal corporation may furnish such services to inhabitants outside its boundaries; provided that it shall not furnish any service to the inhabitants of any other municipality owning or operating works supplying the same service to such inhabitants, without the consent of such other municipality, expressed by ordinance.

Sec. 20. The expenditures, other than expenditures to pay interest and redemption charges on bonds heretofore or hereafter issued, of any county, city and county, municipality, district or other political subdivision of this State, whether or not operating under freeholders charter, shall not in any year exceed by more than five per centum the expenditures, other than expenditures to pay interest and redemption charges on bonds heretofore or hereafter issued, of such county, city and county, municipality, district or other political subdivision for the preceding year unless previously authorized by two-thirds vote of the qualified electors of any such county, city and county, district or other political subdivision, or by a majority vote of electors of any such municipality voting at an election held for that purpose or unless previously authorized by the State Board of Equalization in such manner as may be provided by law; provided that no amount expended in excess of such five per centum shall become a part of the base for determining the maximum expenditure for a succeeding year; provided further, however, that any county, city and county, municipality, district, or other political subdivision of this State that decreases the amount of its expenditures in any year or years may increase, in any subsequent year or years, the amount of its expenditures by the amount, or any fraction thereof, so reduced, or by an amount not more than five per centum of the amount expended in the year immediately preceding. The limitations imposed in this paragraph shall be effective until June 30, 1935, but the Legislature may impose thereafter the same limitations for such period or periods as it may determine; provided, however, that the limitation upon expenditures imposed or authorized by this section shall not apply to expenditures by or on behalf of publicly owned public utilities, including publicly owned facilities operated for the promotion and accommodation of commerce and navigation, irrigation districts, county water districts, reclamation districts, municipal utility districts or metropolitan districts organized or existing under the laws of this State or to expenditures arising out of any gift, bequest or donation.

On and after January 1, 1935, the Legislature shall have power, by two-thirds vote of

all the members elected to each of the two Houses, to limit the amount of taxes which may be imposed upon real and personal property according to the value thereof for county or city and county purposes.

The Legislature shall pass all laws necessary to carry into effect the provisions of this section.

Third—That Article XI is added to read:

XI. Local Government

Sec. 1. (a) The State is divided into counties which are legal subdivisions of the State. The Legislature shall prescribe uniform procedure for county formation, consolidation, and boundary change. Formation or consolidation requires approval by a majority of electors voting on the question in each affected county. A boundary change requires approval by the governing body of each affected county. No county seat shall be removed unless two-thirds of the qualified electors of the county, voting on the proposition at a general election, shall vote in favor of such removal. A proposition of removal shall not be submitted in the same county more than once in four years.

(b) The Legislature shall provide for county powers and an elected governing body in each county and prescribe compensation of its members. The Legislature or the governing body may provide for other officers whose compensation shall be prescribed by the governing body. The governing body shall provide for the number, compensation, tenure, and appointment of employees.

Sec. 2. (a) The Legislature shall prescribe uniform procedure for city formation and provide for city powers.

(b) Except with approval by a majority of its electors voting on the question, a city may not be annexed to or consolidated into another.

Sec. 3. (a) For its own government, a county or city may adopt a charter by majority vote of its electors voting on the question. The charter is effective if approved without change by resolution of the Legislature, by rollcall vote entered in the journal, a majority of the membership of each house concurring. County charters adopted pursuant to this section shall supersede any existing charter and all laws inconsistent therewith. A charter may be amended, revised, or repealed in the same manner.

(b) The governing body or charter commission of a county or city may propose a charter or revision. Amendment or repeal may be proposed by initiative or by the governing body.

(c) An election to determine whether to draft or revise a charter and elect a charter commission may be required by initiative or by the governing body.

(d) If provisions of 2 or more measures approved at the same election conflict, those

of the measure receiving the highest affirmative vote shall prevail.

Sec. 4. County charters shall provide for:

(a) A governing body of 5 or more members, elected (1) by district or, (2) at large, or (3) at large, with a requirement that they reside in a district. Charter counties are subject to statutes that relate to apportioning population of governing body districts.

(b) The compensation, terms, and removal of members of the governing body.

(c) Other officers, their election or appointment, compensation, terms and removal.

(d) The performance of functions required by statute.

(e) The powers and duties of governing bodies and all other county officers, and for consolidation and segregation of county officers, and for the manner of filling all vacancies occurring therein.

(f) The fixing and regulation by governing bodies, by ordinance, of the appointment and number of assistants, deputies, clerks, attaches, and other persons to be employed, and for the prescribing and regulating by such bodies of the powers, duties, qualifications, and compensation of such persons, the times at which, and terms for which they shall be appointed, and the manner of their appointment and removal.

(g) Whenever any county has framed and adopted a charter, and the same shall have been approved by the Legislature as herein provided, the general laws adopted by the Legislature in pursuance of Section 1(b) of this article, shall, as to such county, be superseded by said charter as to matters for which, under this section it is competent to make provision in such charter, and for which provision is made therein, except as herein otherwise expressly provided.

(h) Charter counties shall have all the powers that are provided by this Constitution or by statute for counties.

Sec. 5. (a) It shall be competent in any city charter to provide that the city governed thereunder may make and enforce all ordinances and regulations in respect to municipal affairs, subject only to restrictions and limitations provided in their several charters and in respect to other matters they shall be subject to general laws. City charters adopted pursuant to this Constitution shall supersede any existing charter, and with respect to municipal affairs shall supersede all laws inconsistent therewith.

(b) It shall be competent in all city charters to provide, in addition to those provisions allowable by this Constitution, and by the laws of the State for: (1) the constitution, regulation, and government of the city police force (2) subgovernment in all or part of a city (3) conduct of city elections and (4) plenary authority is hereby granted,

subject only to the restrictions of this article, to provide therein or by amendment thereto, the manner in which, the method which, the times at which, and the terms at which the several municipal officers and employees whose compensation is paid by the city shall be elected or appointed, and for their removal, and for their compensation, and for the number of deputies, clerks and other employees that each shall have, and for the compensation, method of appointment, qualifications, tenure of office and removal of such deputies, clerks and other employees.

Sec. 6. (a) A county and all cities within it may consolidate as a charter city and county as provided by statute.

(b) A charter city and county is a charter city and a charter county. Its charter city powers supersede conflicting charter county powers.

Sec. 7. A county or city may make and enforce within its limits all local, police, sanitary, and other ordinances and regulations not in conflict with general laws.

Sec. 8. (a) The Legislature may provide that counties perform municipal functions at the request of cities within them.

(b) If provided by their respective charters, a county may agree with a city within it to assume and discharge specified municipal functions.

Sec. 9. (a) A municipal corporation may establish, purchase, and operate public works to furnish its inhabitants with light, water, power, heat, transportation, or means of communication. It may furnish those services outside its boundaries, except within another municipal corporation which furnishes the same service and does not consent.

(b) Persons or corporations may establish and operate works for supplying those services upon conditions and under regulations that the city may prescribe under its organic law.

Sec. 10. A local government body may not grant extra compensation or extra allowance to a public officer, public employee, or contractor after service has been rendered or a contract has been entered into and performed in whole or in part, or pay a claim under an agreement made without authority of law.

Sec. 11. The Legislature may not delegate to a private person or body power to make, control, appropriate, supervise or interfere with county or municipal corporation improvements, money, or property, or to levy taxes or assessments, or perform municipal functions.

Sec. 12. The Legislature may prescribe procedure for presentation, consideration, and enforcement of claims against counties, cities, their officers, agents, or employees.

Sec. 13. The provisions of Sections 1(b) (except for the second sentence), 3(a), 4, and 5 of this Article relating to matters affecting the distribution of powers between the Legislature and cities and counties, including matters affecting supersession, shall be construed as a restatement of all related provisions of the Constitution in effect immediately prior to the effective date of this amendment, and as making no substantive change.

The terms general law, general laws, and laws, as used in this Article, shall be construed as a continuation and restatement of those terms as used in the Constitution in effect immediately prior to the effective date of this amendment, and not as effecting a change in meaning.

Fourth—That former Section 12 of Article XI is added to Article XIII as Section 37 to read:

Sec. 37. Except as otherwise provided in this Constitution, the Legislature shall have no power to impose taxes upon counties, cities, towns or other public or municipal corporations, or upon the inhabitants or property thereof, for county, city, town, or other municipal purposes, but may, by general laws, vest in the corporate authorities thereof the power to assess and collect taxes for such purposes.

All property subject to taxation shall be assessed for taxation at its full cash value.

Fifth—That former Section 13½ of Article XI is added to Article XIII as Section 37.5 to read:

Sec. 37.5. Any county, city and county, city, town, municipality, irrigation district, or other public corporation, issuing bonds under the laws of the State, is hereby authorized and empowered to make said bonds and the interest thereon payable at any place or places within or outside of the United States, and in any money, domestic or foreign, designated in said bonds.

Sixth—That former Section 16 of Article XI is added to Article XIII as Section 38 to read:

Sec. 38. All moneys, assessments, and taxes belonging to or collected for the use of any county, city, town, or other public or municipal corporation, coming into the hands of any officer thereof, shall immediately be deposited with the Treasurer, or other legal depository, to the credit of such city, town, or other corporation respectively, for the benefit of the funds to which they respectively belong.

Seventh—That former Section 16½ of Article XI is added to Article XIII as Section 39 to read:

Sec. 39. All moneys belonging to, or in the custody of, the State, or any county, city and county, city, town, municipality or other public or municipal corporation, within this State may be deposited in any national bank

or banks within this State, or in any bank or banks organized under the laws of this State, in such manner and under such conditions as may be provided by any law adopted by the people under the initiative or by a two-thirds vote of each House of the Legislature and approved by the Governor and subject to the referendum; provided, that the laws now governing the deposit of such moneys shall continue in force until such laws shall be amended, changed or repealed as in this section authorized; and provided, further, that the State or any county, city and county, city, town, municipality or other public or municipal corporation, issuing bonds under the laws of this State, may deposit moneys in any bank or banks outside this State for the payment of the principal or interest of such bonds at the place or places at which the same are payable.

Eighth—That former Section 18 of Article XI is added to Article XIII as Section 40 to read:

Sec. 40. No county, city, town, township, board of education, or school district, shall incur any indebtedness or liability in any manner or for any purpose exceeding in any year the income and revenue provided for such year, without the assent of two-thirds of the qualified electors thereof, voting at an election to be held for that purpose, nor unless before or at the time of incurring such indebtedness provision shall be made for the collection of an annual tax sufficient to pay the interest on such indebtedness as it falls due, and also provision to constitute a sinking fund for the payment of the principal thereof, on or before maturity, which shall not exceed forty years from the time of contracting the same; provided, however, anything to the contrary herein notwithstanding, when two or more propositions for incurring any indebtedness or liability are submitted at the same election, the votes cast for and against each proposition shall be counted separately, and when two-thirds of the qualified electors, voting on any one of such propositions, vote in favor thereof, such proposition shall be deemed adopted.

Ninth—That Section 41 is added to Article XIII to read:

Sec. 41. Whenever under the laws of this State or under its charter any city, county, city and county, parking authority, district, or other public body is authorized to acquire or construct public parking lots, garages, or other automotive parking facilities, and for the payment of the cost of any thereof, to issue any bonds or other securities payable in whole or in part from revenues of any such parking facilities, such public body, and any other public body within the territorial area of which such public parking facilities are or will be situated, is also authorized to pledge, place a charge upon, or otherwise make available, as additional security for the payment of such securities, any or all reve-

nues from any or all street parking meters then owned or controlled or to be acquired or controlled by it.

Tenth—That Section 8 is added to Article XXII to read:

Sec. 8. It shall be competent, in all charters framed under the authority given by Section 5 of Article XI, to provide, in addi-

tion to those provisions allowable by this Constitution, and by the laws of the state for the manner in which, the times at which, and the terms for which the members of board of education shall be elected or appointed, for their qualifications, compensation and removal, and for the number which shall constitute any one of such boards.

PARTIAL CONSTITUTIONAL REVISION. Legislative Constitutional

3

Amendment. Revises provisions of Constitution relating to public utilities, corporations, and water use. Legislature may increase membership of Public Utilities Commission. Renumbers provisions relating to State lending its credit and owning corporate stock.

YES

NO

(This amendment proposed by Assembly Constitutional Amendment No. 31, 1969 Regular Session, expressly amends an existing section of the Constitution, repeals an existing article thereof, and adds new sections and a new article thereto; therefore, **EXISTING PROVISIONS** proposed to be **DELETED** or **REPEALED** are printed in **STRIKEOUT TYPE**; and **NEW PROVISIONS** proposed to be **INSERTED** or **ADDED** are printed in **BOLDFACE TYPE**.)

PROPOSED AMENDMENTS TO ARTICLES XII, XIII, XIV, AND XX

First—That Article XII is repealed.

ARTICLE XII

CORPORATIONS

SECTION 1. The Legislature shall have power, by general laws and not otherwise, to provide for the formation, organization and regulation of corporations and to prescribe their powers, rights, duties and liabilities and the powers, rights, duties and liabilities of their officers and stockholders or members. All laws now in force in this State concerning corporations and all laws that may be hereafter passed pursuant to this section may be altered from time to time or repealed.

SEC. 4. The term corporations, as used in this article, shall be construed to include all associations and joint-stock companies having any of the powers or privileges of corporations not possessed by individuals or partnerships; and all corporations shall have the right to sue and shall be subject to be sued, in all Courts, in like cases as natural persons.

SEC. 5. The Legislature shall have no power to pass any act granting any charter for banking purposes; but corporations or associations may be formed for such purposes under general laws; and the Legislature shall provide for the classification of cities and towns by population for the purpose of regulating the business of banking. No corporation, association, or individual shall issue or put in circulation, as money, anything but the lawful money of the United States.

SEC. 6. All existing charters, grants, franchises, special or exclusive privileges, under which an actual and bona fide organization shall not have taken place; and business been

commenced in good faith, at the time of the adoption of this Constitution, shall thereafter have no validity.

SEC. 7. The Legislature shall not extend any franchise, nor remit the forfeiture of any franchise, of any quasi public corporation; but may provide by general laws, uniformly applicable to all corporations formed for a limited period; for the extension of the term of existence of any corporation.

SEC. 8. The exercise of the right of eminent domain shall never be so abridged or construed as to prevent the Legislature from taking the property and franchises of incorporated companies and subjecting them to public use the same as the property of individuals; and the exercise of the police power of the State shall never be so abridged or construed as to permit corporations to conduct their business in such manner as to infringe the rights of individuals or the general well-being of the State.

SEC. 10. The Legislature shall not pass any laws permitting the leasing or alienation of any franchise, so as to relieve the franchise or property held thereunder from the liabilities of the lesser or grantor, lessee or grantee, contracted or incurred in the operation, use or enjoyment of such franchise, or any of its privileges.

SEC. 12. The state shall not in any manner loan its credit, nor shall it subscribe to, or be interested in the stock of any company, association, or corporation, except that the state and each political subdivision, district, municipality, and public agency thereof is hereby authorized to acquire and hold shares of the capital stock of any mutual water company or corporation when such stock is so acquired or held for the purpose of furnishing a supply of water for public, municipal or governmental purposes; and such holding of such stock shall entitle such holder thereof to all of the rights, powers and privileges, and shall subject such holder to the obligations and liabilities conferred or imposed by law upon other holders of stock in the mutual water company or corporation in which such stock is so held.

Notwithstanding provisions to the contrary in this section and Section 31 of Article IV of this Constitution, the Legislature may au-